

**SME DESIGN**  
MEDICAL DEVICE PRODUCT DEVELOPMENT

October 10, 1999

Gary Teague  
Product Manager  
C.R. Bard Urology Division  
8195 Industrial Blvd.  
Covington, GA. 30014

*Banks,*  
*FYI - Suggestions?*  
*Law*

Dear Gary,

It has been a while and although many times I have thought of calling, I decided to wait until my direction was better defined. Now, this letter is an attempt to initiate some dialogue in anticipation that M D Labs, Inc. (formerly SME Design) will be back on track soon under a reorganization that benefits from significant investment.

I want you to be aware that Soft Tip (Tigertail)<sup>TM</sup> type products will continue to be part of our business plan. Furthermore, it has been brought to my attention that Tigertail<sup>TM</sup> is still available through Bard Urology, which under the circumstances is confusing to me. We have not supplied BUD with product for about one year and therefore I have to wonder where additional inventory has come from. This letter is an attempt to ascertain this information because it has been established and is well defined that the BUD Tigertail<sup>TM</sup> technology and concept is the intellectual property of SME Design. Any second source manufacture utilizing SME Design technology which includes material and process information would have to be licensed from and approved by SME Design.

*Tigertail*  
*is contr*  
*of B or*

Medical Device Labs, Inc. is taking over all SME Design efforts and would hope to re-establish a significant relationship with BUD. We would like to take this opportunity to demonstrate and impress BUD with what M. D. Labs will accomplish now. This would be a good time to begin. I look forward to hearing from you as soon as possible especially because I am planning a trip to your area for the end of October. A group meeting may be beneficial at that time due to the several contacts I making in your organization.

Until we move into our next generation facilities please feel free to contact me at 508 655 1044. 178 Boden Lane, Natick, MA. 01760.

Sincerely,

*Scott M. Epstein*  
Scott M. Epstein

CEO/CTO Medical Device Labs, Inc.

cc: Bart Mirsky  
Freeda Reed  
Tom Woods